Approved For Release 1999/09/08 : CIA-RDP82-00457R00060033000122

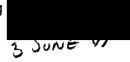
CONTROL U.S. OFFICIALS ONLY



25X1A2a

## CENTRAL INTELLIGENCE GROUP

INTELLIGENCE REPORT



COUNTRY

French Indo China

MFO.

25X1A6a

SUBJECT

Notes on Current Situation

DIST.

27 May 1947

PAGES

DATE

1

ORIGIN 25X1X6

25X1A6a

SUPPLEMENT

HO Chi Minh is interested in the independence of Tonkin, Annam and Cochin C - 2China. He is not opposed to a federation of all the states, including Cambodia and Laos and also possibly Siam and Burma, but he is not working actively for the federation now. Siam and Burms have already expressed interest in the establishment of a federation. (Washington note: See

25X1A2g

for a statement by Nai Pridi that Siam hopes to establish the nuceus of a Southeast Asia Federation with Laos and Cambodia, and does not intend to wait for Viet Nam. )

- Viet Nam currency is gaining in strength. At first it had the same C-6 2. value as French currency but now the ratio is 90 cents in French money to \$1.00 in Viet Nam money. The highest exchange was .70 to \$1.00. It is easy to exchange French money for Viet Namese money and to buy from the Chinese, Siamese, etc. However, those with French money are suspected of collaboration and this has contributed to the increased value of Viet Nam currency.
- The French buried arms and gold when the Japanese came into French Indo 0.6 China. Much has been found. The French killed the Annamites who helped them bury it. They intended to return to reclaim it but deserters from the French Army revealed the hiding places. The Viet New Government can buy arms in China, Siam and Burma and they are trying to buy from the Philippines.
- French soldiers in Indo China are very susceptible to leaflet propa-C-6 4. ganda and there have been some desertions as a result of this. Viet Nam propaganda lines stress the futility of fighting for the two hundred families who rule France.

Document No. NO CHANGE in Class. [] DECLASEIFLED Class. CHARGED 4 Apr 77

Approved For Release 1999/09/08: CIA-PP82-00457R000600330001-2